

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Nebraska

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

Ambulatory Surgical Centers:

Payment of facility fees for services provided in an ambulatory surgical center (both free-standing and hospital-affiliated) is made at the rate established by Medicare for the appropriate group of procedures.

If one covered surgical procedure is provided in a single operative session, NMAP pays 100 percent of the applicable group rate. If more than one covered surgical procedure is provided in a single operative session, NMAP pays 100 percent of the applicable group rate for the procedure with the highest rate. NMAP pays for other covered ambulatory surgical procedures performed in the same operative session at 50 percent of the applicable group rate for each procedure.

Insertion of intraocular lens prosthesis with cataract extraction is considered two procedures; payment is made at 150 percent of the applicable group rate. If this procedure is performed bilaterally, payment is made at 150 percent of the group rate for the first procedure (first eye) and 100 percent for the second procedure (second eye).

The ambulatory surgical center may also provide services which are not directly related to the performance of a surgical procedure, such as durable medical equipment, medical supplies, and ambulance services. Payment for these services will be made according to the methods and standards elsewhere in the Title XIX Plan for the appropriate service.

Transmittal # MS-92-16

Supersedes

Approved

JAN 14 1993

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DEC 31 1992

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Refers to MS 89-07

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Nebraska

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

FEDERALLY-QUALIFIED HEALTH CENTERS

The Nebraska Medical Assistance Program (NMAP) makes payment for services provided by federally-qualified health centers (FQHC's) as defined in section 1905(a)(2)(C) of the Social Security Act on the basis of 100 percent of reasonable costs attributed to the care of Medicaid-eligible clients, as established by the Nebraska Department of Social Services.

Reasonable costs are determined by the Department on the basis of the FQHC's cost report, submitted as the Medicare cost report (Form HCFA-2552) or any other cost reporting form approved by the Department for this use. Such costs cannot exceed the reasonable costs as determined by the applicable Medicare cost reimbursement principles set forth in 42 CFR Part 413.

Providers participating in the NMAP as FQHC's must submit to the Department a plan for allocating costs to the Medicaid program. This plan must also indicate the annual cost reporting period by which the FQHC plans to report its annual costs to the Department.

The Department will make interim payments to the FQHC during its cost reporting period. The interim payments will be the amounts normally paid to the FQHC under the Nebraska Medicaid Practitioner Fee Schedule, and will be subject to reconciliation at the end of the cost reporting period. Following the receipt of the FQHC's annual Medicare cost report (or other acceptable cost reporting form), the Department will compute a retroactive adjustment to the annual allowable Medicaid costs as reported by the FQHC. The Department will make additional payment to the FQHC when the allowable reported annual Medicaid costs exceed the sum of the payments made to the FQHC under the Nebraska Medicaid Practitioner Fee Schedule for the cost reporting period. Payment adjustments will be made within 90 days of receipt of the cost report by the Department. The FQHC must reimburse the Department when its allowable reported Medicaid costs for the cost reporting period are less than the sum of the payments made to the FQHC under the Nebraska Medicaid Practitioner Fee Schedule for the cost reporting period. Adjustments owing to the Department must be made within 90 days following notice by the Department to the FQHC of the amount due and owing.

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Nebraska

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

DENTAL SERVICES

For dates of service on or after August 1, 1989, NMAP pays for dental services at the lower of -

1. The provider's submitted charge; or
2. The allowable amount for that procedure code in the Nebraska Medicaid Practitioner Fee Schedule in effect for that date of service. The allowable amount is indicated in the fee schedule as -
 - a. The unit value multiplied by the conversion factor;
 - b. The invoice cost (indicated as "IC" in the fee schedule);
 - c. The maximum allowable dollar amount; or
 - d. The reasonable charge for the procedure as determined by the Medical Services Division (indicated as "BR" - by report or "RNE" - rate not established - in the fee schedule).

The Nebraska Medicaid Practitioner Fee Schedule is effective July 1 through June 30 of each year.

Revisions of the Fee Schedule: The Department reserves the right to adjust the fee schedule to -

1. Comply with changes in state or federal requirements;
2. Comply with changes in nationally-recognized coding systems, such as HCPCS and CPT;
3. Establish an initial allowable amount for a new procedure based on information that was not available when the fee schedule was established for the current year; and
4. Adjust the allowable amount when the Medical Services Division determines that the current allowable amount is -
 - a. Not appropriate for the service provided; or
 - b. Based on errors in data or calculation.

The Department may issue revisions of the Nebraska Medicaid Practitioner Fee Schedule during the year that it is effective. Providers will be notified of the revisions and their effective dates.

Transmittal # MS 89-7

Supersedes

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10/24/89

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8/1/89

Transmittal # MS-86-13

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Nebraska

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

PHYSICAL THERAPY

For dates of service on or after August 1, 1989, NMAP pays for physical therapy services at the lower of -

1. The provider's submitted charge; or
2. The allowable amount for that procedure code in the Nebraska Medicaid Practitioner Fee Schedule in effect for that date of service. The allowable amount is indicated in the fee schedule as -
 - a. The unit value multiplied by the conversion factor;
 - b. The invoice cost (indicated as "IC" in the fee schedule);
 - c. The maximum allowable dollar amount; or
 - d. The reasonable charge for the procedure as determined by the Medical Services Division (indicated as "BR" - by report or "RNE" - rate not established - in the fee schedule).

The Nebraska Medicaid Practitioner Fee Schedule is effective July 1 through June 30 of each year.

Revisions of the Fee Schedule: The Department reserves the right to adjust the fee schedule to -

1. Comply with changes in state or federal requirements
2. Comply with changes in nationally-recognized coding systems, such as HCPCS and CPT;
3. Establish an initial allowable amount for a new procedure based on information that was not available when the fee schedule was established for the current year; and
4. Adjust the allowable amount when the Medical Services Division determines that the current allowable amount is -
 - a. Not appropriate for the service provided; or
 - b. Based on errors in data or calculation.

The Department may issue revisions of the Nebraska Medicaid Practitioner Fee Schedule during the year that it is effective. Providers will be notified of the revisions and their effective dates.

Transmittal # MS 89-7

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Nebraska

METHOD AND STANDARDS FOR ESTABLISHING PAYMENT RATES

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PHYSICAL THERAPY (cont'd)

Reimbursement rates for Medicaid-covered physical therapy services provided to students through the Nebraska Public School system shall be established on the basis of actual cost to school districts in the following areas, respectively:

1. Omaha Public School District;
2. Lincoln Public School District; and
3. All other public school districts (average aggregate cost).

The basis for actual costs shall be as outlined in OMB Circular A-87. The rates shall be based on reasonable and adequate costs associated with physical therapy. These rates shall be established and updated annually based on the Department's review of the costs that are consistent with efficiency, economy, and quality of care. The State's annual review and update of these rates will consider cost information related to therapists' salaries and benefits; support materials and supplies; travel; and indirect costs.

Transmittal # MS-93-18
Supersedes
Transmittal # MS-93-2

Approved MAR 13 1995

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Nebraska

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

OCCUPATIONAL THERAPY

NMAP pays for occupational therapy services provided by independent providers at the lower of -

1. The provider's submitted charge; or
2. The allowable amount for that procedure code in the Nebraska Medicaid Practitioner Fee Schedule for that date of service. The allowable amount is indicated in the fee schedule as -
 - a. The unit value multiplied by the conversion factor;
 - b. The invoice cost (indicated as "IC" in the fee schedule);
 - c. The maximum allowable dollar amount; or
 - d. The reasonable charge for the procedure as determined by the Medical Services Division (indicated as "BR" - by report or "RNE" - rate not established in the fee schedule).

The Nebraska Medicaid Practitioner Fee Schedule is effective July 1 through June 30 of each year.

Revisions of the Fee Schedule: The Department reserves the right to adjust the fee schedule to -

1. Comply with changes in state or federal requirements;
2. Comply with changes in nationally-recognized coding systems, such as HCPCS and CPT;
3. Establish an initial allowable amount for a new procedure based on information that was not available when the fee schedule was established for the current year; and
4. Adjust the allowable amount when the Medical Services Division determines that the current allowable amount is -
 - a. Not appropriate for the service provided; or
 - b. Based on errors in data or calculation.

The Department may issue revisions of the Nebraska Medicaid Practitioner Fee Schedule during the year that it is effective. Providers will be notified of the revisions and their effective dates.

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Nebraska

METHOD AND STANDARDS FOR ESTABLISHING PAYMENT RATES

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OCCUPATIONAL THERAPY (cont'd)

Reimbursement rates for Medicaid-covered occupational therapy services provided to students through the Nebraska Public School system shall be established on the basis of actual cost to school districts in the following areas, respectively:

1. Omaha Public School District;
2. Lincoln Public School District; and
3. All other public school districts (average aggregate cost).

The basis for actual costs shall be as outlined in OMB Circular A-87. The rates shall be based on reasonable and adequate costs associated with occupational therapy. These rates shall be established and updated annually based on the Department's review of the costs that are consistent with efficiency, economy, and quality of care. The State's annual review and update of these rates will consider cost information related to therapists' salaries and benefits; support materials and supplies; travel; and indirect costs.

Transmittal # MS-93-18
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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Nebraska

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

SERVICES FOR INDIVIDUALS WITH SPEECH, HEARING, AND LANGUAGE DISORDERS (PROVIDED BY OR UNDER THE SUPERVISION OF A SPEECH PATHOLOGIST OR AUDIOLOGIST)

For dates of service on or after August 1, 1989, NMAP pays for services for individual with speech, hearing, and language disorders (provided by or under the supervision of a speech pathologist or audiologist) at the lower of -

1. The provider's submitted charge; or
2. The allowable amount for that procedure code in the Nebraska Medicaid Practitioner Fee Schedule in effect for that date of service. The allowable amount is indicated in the fee schedule as -
 - a. The unit value multiplied by the conversion factor;
 - b. The invoice cost (indicated as "IC" in the fee schedule);
 - c. The maximum allowable dollar amount; or
 - d. The reasonable charge for the procedure as determined by the Medical Services Division (indicated as "BR" - by report or "RNE" - rate not established - in the fee schedule).

The Nebraska Medicaid Practitioner Fee Schedule is effective July 1 through June 30 of each year.

Revisions of the Fee Schedule: The Department reserves the right to adjust the fee schedule to -

1. Comply with changes in state or federal requirements;
2. Comply with changes in nationally-recognized coding systems, such as HCPCS and CPT;
3. Establish an initial allowable amount for a new procedure based on information that was not available when the fee schedule was established for the current year; and
4. Adjust the allowable amount when the Medical Services Division determines that the current allowable amount is -
 - a. Not appropriate for the service provided; or
 - b. Based on errors in data or calculation.

The Department may issue revisions of the Nebraska Medicaid Practitioner Fee Schedule during the year that it is effective. Providers will be notified of the revisions and their effective dates.

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Nebraska

METHOD AND STANDARDS FOR ESTABLISHING PAYMENT RATES

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SERVICES FOR INDIVIDUALS WITH SPEECH, HEARING, AND LANGUAGE DISORDERS (PROVIDED BY OR UNDER THE SUPERVISION OF A SPEECH PATHOLOGIST OR AUDIOLOGIST)(cont'd)

Reimbursement rates for Medicaid-covered services for individuals with speech, hearing, and language disorders (provided by or under the supervision of a speech pathologist or audiologist) provided to students through the Nebraska Public School system shall be established on the basis of actual cost to school districts in the following areas, respectively:

1. Omaha Public School District;
2. Lincoln Public School District; and
3. All other public school districts (average aggregate cost).

The basis for actual costs shall be as outlined in OMB Circular A-87. The rates shall be based on reasonable and adequate costs associated with the services. These rates shall be established and updated annually based on the Department's review of the costs that are consistent with efficiency, economy, and quality of care. The State's annual review and update of these rates will consider cost information related to therapists' salaries and benefits; support materials and supplies; travel; and indirect costs.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Nebraska

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATE

PRESCRIBED DRUGS

Federal Upper Limit (FUL): Certain multiple source drug products will have an upper limit of reimbursement assigned by the Federal Government. This limit is equal to 150 percent of the product's lowest price that is published in current national compendia of drug cost information. Additionally, at least three suppliers must list the product which has been classified by the Food and Drug Administration as category A in its most recent publication of Approved Drug Products with Therapeutic Equivalence Evaluations.

All pharmacies will be notified by the Nebraska Department of Social Services as to which products the Medical Services Division have designated as FUL products and what their respective FUL values are.

State Maximum Allowable Cost (SMAC): Certain drug products available from multiple manufacturers will have a state maximum allowable cost designated by the Medical Services Division of the Nebraska Department of Social Services. The SMAC value is the cost at which the drug is widely and consistently available to pharmacy providers in Nebraska. The determination of which products are designated SMAC products is the direct responsibility of the Medical Services Division in conjunction with the Nebraska Pharmacists Association Medicaid Advisory Committee. Any individual or organization may at any time request a revision in a SMAC value directly from the Nebraska Department of Social Services.

All pharmacists will be notified by the Nebraska Department of Social Services as to which products have been designated as SMAC products and what their respective SMAC values are.

Estimated Acquisition Cost (EAC): All drug products, including the FUL/SMAC products, will be assigned an estimated acquisition cost. The EAC of any product will be the actual cost at which most Nebraska providers may obtain the product. The Nebraska Department of Social Services will be responsible for assigning the EAC values to all drugs. Any individual or organization may at any time request a revision in an EAC value directly from the Nebraska Department of Social Services.

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